

Minutes of the regular meeting of the Big Plains Water and Sewer Special Service District, Washington County, Utah that was held on the 19th day of September, 2012 at the Smithsonian Fire Department Building, 1777 N. Meadowlark Dr., Apple Valley, Utah.

1. The meeting was called to order at 6:00 pm.
2. The Pledge of Allegiance was led by Mayor Moser.
3. Roll Call: Harold Merritt, Jack Davis, Kevin Sair, and Mayor Moser were present. Neil Duncan was excused. Nathan Bronemann took minutes. Legal Counsel was excused. Rod Mills of Ensign Engineering was present.
4. Declarations of conflict of interests.

None stated.

5. Update on closing of water purchase – Rod Mills

Rod Mills reported that the closing was scheduled for Wednesday, September, 26th at 1:00 pm. He said that \$197,000 would go toward the Cedar Point Water Company assets. He said that \$1,025,000 would go toward the Apple Valley Water Company assets. He said that total funding would be \$3.175 Million. He added that after closing the assets would be reviewed and then a priority list would be made on how the remainder of the funding would be best spent.

Jack Davis asked if the closing in Richfield would be recorded.

Rod Mills said that it was not a public meeting, only the Chairman and secretary were required to be there, and so it would not be recorded. He said that the public was still free to attend.

6. Discussion and action on purchase of real property

Rod Mills said that there was a 110,000-120,000 tank on the property and that they would be able to purchase the tank and land free and clear.

Jack asked how the Cedar Point customers would be affected.

Rod Mills said the owner of the million gallon tank does not have the right to turn the valve on the tank off. He said that the District would continue to operate the tank and put the money that had been allocated to purchase the tank would be put into escrow until the time that the courts determine the tank and property's owners.

Mayor Moser explained that specifics of the purchase. He said that the District would have to issue a will serve letter in order for the seller to agree to the \$100,000 purchase price.

Eve Greco asked why Jerry Eves would put the tank on a piece of property that he did not own.

Mayor Moser said they he did not know why that was done.

Margaret Ososki asked if there was a well on the 30-acre property.

Rod said that there was not a well on the property and that the wells for the Cedar Point system were free and clear and on other parcels.

Motion made by Mayor Moser to authorize the purchase of the 30-acre parcel with the water tank on it (AV-1365-F) for \$100,000. Jack Davis seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

Kevin Sair asked if the tank could easily connected to the system.

Rod Mills said that it was not connected but that it could be.

7. Discussion and action on application for services

Rod Mills said that Nathan Bronemann had been working on the service agreement for residential users.

Mayor Moser said that the delinquent interest rate was pending the next meeting when the district would take action on an error in their rules and regulations.

Nathan Bronemann said that the attorney's had previously drafted an application for services for the Town that only included solid waste. He said that it had been modified to include culinary water services. He said that there was a tentative rate in the application at this time. He also added that it would include a reasonable access clause.

Motion made by Mayor Moser to approve the Town's new application for services with the interest rate to be determined in the next meeting. Jack Davis seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

8. Discussion on impact fees

Rod Mills said that they were working on the statutory requirements for impact fees. He said that a notice would need to be posted on the web page and on the bulletin board that an impact fee study would be taking place so that they would be able to provide input.

Mayor Moser said that prior to adopting any impact fees, a public hearing would have to take place.

Rod Mills said that the research would take some time and due diligence to complete. He asked Nathan Bronemann to post that notice as soon as possible.

9. Adaptive policy based on the Town's policy on conservation and new development

Rod Mills said that the district would like to adopt and adapt the Town's existing policy. Rod Mills handed out a policy from another district as an example for what he suggested take place. He recommended that the board move to adopt the Town's policy. He added that he recommended a conservation policy that was balanced with sustainable revenue.

Mayor Moser reported that the Town's Subdivision states the requirement of 0.6 acre-feet of water for less than one acre lots and 0.9 acre-feet for one acre lots.

Harold Merritt requested that each board member get a copy of the Town's policy to review.

Motion made by Mayor Moser to adopt the Town's policy and then make future needed changes after review. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-abstain. The motion passed 3/0 with one abstention.

10. Acquisitions – Harold Merritt

Harold Merritt said that all he was aware of was the tank and water company purchases.

11. Funding – Kevin Sair

Rod Mills said that it would likely be early next year before they received the second portion of the funding came in.

Jack Davis asked about the 5-acres from the Jepson Canyon project.

Rod Mills said that there was a verbal agreement in place and that nothing had changed.

12. Operations – Neil Duncan

Rod Mills said that the funding that was currently coming on line was prohibited from being used for operations. He said that the district would need to collect revenues for a couple months before any money could be spent on operations.

13. Resource Management – Mayor Moser

Nothing to report.

14. Development – Jack Davis

Harold Merritt asked if the district was prepared to run a water line under the highway from the planned tank to Apple Valley proper.

Rod Mills said that they were preparing to do so. He added that the Jepson Canyon project was moving forward and that he expected to see a pioneering agreement to be brought to the Town within the next 30 days.

Mayor Moser reported that no water system in the Town (district boundaries) could be expanded at this time without permission of the District, the State and the DEQ.

Rod Mills added that it didn't matter who owned the water systems, and that the District was the jurisdictional authority over all water systems.

It was noted that the drilling of wells would also require application to the State and to the District.

15. Consider approval of minutes:

a. September 5, 2012 Regular Meeting Minutes

Motion made by Mayor Moser to approve the September 5, 2012 regular meeting minutes. Jack Davis seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

16. Request for a closed session

None requested.

17. Adjournment

Motion made by Mayor Moser to adjourn the meeting. Kevin Sair seconded the motion. Vote: Mayor Moser-yes, Kevin Sair-yes, Jack Davis-yes, Harold Merritt-yes. The motion passed 4/0.

Meeting adjourned at approximately 7:24 PM.

Date approved: _____

ATTEST BY: _____

Nathan Bronemann

Chairman Harold Merritt